



# Federal Aviation Administration



## Purchase Card Guide

### A Quick Reference For Applicable Policies & Regulations

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#### **US Bank Service for Cardholders/Approving Officials**

US Bank Customer Service 1-888-994-6722

US Bank Access Password Assistance 1-888-994-6722

US Bank Fax 1-866-457-7506

US Bank Fraud Line 1-800-523-9078

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## Notes:

## **Sites of Interest**

- Fast/AMS Toolbox  
<http://fast.faa.gov/>
- GSA Smartpay Training  
<http://fss.gsa.gov/webtraining/trainingdocs/smartpaytraining/index.cfm>
- Purchase Card Website  
[http://faapcard.amc.faa.gov/new\\_faa/index.htm](http://faapcard.amc.faa.gov/new_faa/index.htm)
- US Bank's Access  
<https://access.usbank.com/>
- US Bank's Access Web-based Training  
<https://wbt.access.usbank.com/>
- US Bank Communications and Training Website  
[https://www2.usbank.com/cgi\\_w2/cfm/impac/impac\\_login.cfm](https://www2.usbank.com/cgi_w2/cfm/impac/impac_login.cfm)
- FAA Section 508 Site  
[https://intranet.faa.gov/faaemployees/org/staffoffices/aio/programs/e\\_government/section\\_508/](https://intranet.faa.gov/faaemployees/org/staffoffices/aio/programs/e_government/section_508/)
- Strategic Sourcing for the Acquisition of Various Equipment and Supplies (SAVES)  
<https://intranet.faa.gov/faaemployees/org/staffoffices/aba/aves/>
- State Tax Exemption Letters  
<http://apps.fss.gsa.gov/services/gsa-smartpay/taxletter/index.cfm>

## **Introduction**

The FAA purchase card (i.e. Smart Pay Card) is an internationally accepted credit card. The purchase card is issued through General Services Administration (GSA) contract with a credit card bank, e.g., U.S. Bank. FAA employees who receive training and a Delegation of Purchasing Authority (DPA) are authorized to use the card, within the specified dollar limits, to acquire products and services.

The FAA purchase card is intended to streamline procurement and payment procedures and reduce the administrative burden associated with traditional and emergency purchasing of products and services under simplified acquisition procedures. The purchase card may be used to pay for authorized FAA purchases made using other contract vehicles such as contracts, BPAs, and purchase orders, and should be the "primary purchasing method" when vendors accept credit cards for commercial and simplified purchases, unless otherwise prohibited.

When needing service in this program, suspected fraud or improper use is identified, or questions arise, please contact the Agency Program Coordinator (APC) associated with your location. A listing of APCs is provided on the last page. If a card is lost or stolen, cardholders must contact the card-issuing bank, the APC, and the approving official immediately to inform them of the situation.

Additional information relating to FAA Purchase Cards can be found in AMS Procurement Guidance T3.2.6.

## **Training**

The following are the training requirements/opportunities for members of the purchase card program:

### ***Initial Training:***

1. Complete the GSA Smartpay training and submit the certificate to the responsible APC. Website: <http://fss.gsa.gov/webtraining/trainingdocs/smartpaytraining/index.cfm>
2. Complete US Bank training for Access Online (see website below).
3. Review of the purchase card program requirements that are in FAST, Procurement Guidance T3.2.6.
4. Review of the property control requirements that are contained in FAA Order 4600.27.
5. Submit the Self-Certification after completion of all training. [http://faapcard.amc.faa.gov/Purchase\\_Card\\_Check\\_User\\_Guide\\_Certification\\_By\\_Region.htm](http://faapcard.amc.faa.gov/Purchase_Card_Check_User_Guide_Certification_By_Region.htm)

### ***Refresher Training: Must be completed every two years***

Refresher training includes providing a certification to the APC that the cardholder has read, understands, and agrees to follow all local and national guidance covered in initial purchase card training. The electronic form is available at the [Purchase Card/Check Home Page](#).

## **US Bank Training**

### ***US Bank Access Web-Based Training Website***

<https://wbt.access.usbank.com/>

### ***US Bank Communications and Training Website***

[https://www2.usbank.com/cgi\\_w2/cfm/impac/impac\\_login.cfm](https://www2.usbank.com/cgi_w2/cfm/impac/impac_login.cfm)

## **Property Management**

***Property Custodians*** – Property custodians throughout FAA shall ensure that adequate records are maintained for all FAA property regardless of whether it is purchased via Government credit card or any other mechanism. All FAA real and personal property shall be tracked in the applicable FAA asset management accountability information system. Accountability for real and personal property is to be maintained in these systems for the life of a facility and/or equipment and this recordation constitutes the official agency record. Accountable property valued at \$5,000 or more must have the bar code number, model number, and serial number on the statement and entered into the Automated Inventory Tracking System (AITS) by the custodians or delegates. The Personal Property Officer in Logistics then approves the entry.

### ***Receipt of Goods or Services.***

- For any purchase not requiring a receiving report, the FAA employee receiving the goods or services must indicate receipt by signing the sales slip or invoice.
- Where the cardholder is also the receiver, another FAA employee (except for the AO) must confirm receipt of the goods or services by signing the sales slip or invoice.
- Except for items considered sensitive or pilferable, independent receipt of goods or services is not required where the unit price is less than \$200 or the item is being incorporated into a project for a fixed facility.

## **Record Keeping**

All purchase card transactions made by a cardholder must be supported by:

- Written proof of prior approval
- Certification of funds availability
- Sales slip or invoice
- Mandatory source availability
- Receiving report
- Documentation supporting exceptions to prohibited/restricted purchases
- Other documentation required due to the nature of the purchase (authorizations by associate administrator, health authority, etc)

**All purchase card documentation shall be retained for six years and three months from the date of purchase**

## **Review Process**

**Validate Monthly Statements** – After retrieving the monthly purchase card statement from the US Bank/Access Online website, each cardholder is responsible for validating all card purchases and credit transactions itemized on the monthly statement to the accountable documents; i.e., the cardholder's copy of sales slips, credit slips, and telephone order forms. These accountable documents must be verified to the cardholder statement to make sure that itemized purchase amounts are valid obligations and all credits for returned or disputed amounts are reflected on the monthly statement. If the cardholder's statement reflects charges for purchases not received, the amounts in question should be disputed in writing no later than 60 days after the statement date on which the transaction appeared. Cardholders should also ensure that purchases on their statement include no sales tax. If sales tax is included, request a credit from the vendor. Note that some states do not exempt the Federal Government from state taxes (i.e. New Mexico or Arizona), so check for exemptions prior to requesting a credit from the vendor.

**Approving Official** – The approving official is responsible for ensuring all cardholders validate purchases and credits itemized on the statement and that all purchases and credits include the proper accounting classification data. Approving officials must verify that all purchases were authorized, there was prior certification of funds, and that copies of sales slips, credit slips, and other applicable documentation are attached. The Approving official must also notify the APC of any unauthorized or improper use of the card. Approving Officials will review, on a quarterly basis, their current internal control procedures to ensure compliance with AMS and other applicable FAA policies.

Both cardholder and approving official should review and sign the bank statement within five (5) days of statement availability.

**At no time should the cardholder and approving official be the same person for a purchase**

## **Obtaining a Purchase Card**

The steps in obtaining a purchase card are:

1. The applicant must complete the required training as described in the Training section of this guide.
2. The supervisor or approving official for the applicant must fully complete the Purchase Card/Check Request on the Purchase Card website for the appropriate region in which the applicant resides.
3. The supervisor for the applicant will send required training documentation to the appropriate APC to support the card request.
4. A Delegation of Procurement Authority (DPA) will be issued by the COCO through the APC if the application with the requested limits is approved.  
NOTE: The limits on the DPA are the official limits on the card and may not be exceeded, split, or otherwise violated.
5. The application will be submitted to the bank by the APC for card issuance.
6. The purchase card should be delivered to the applicant within two weeks of Step 5.

## Definitions

Competition – Competition among two or more sources is the preferred method of purchasing under the Acquisition Management System (AMS).

- Purchasers should use sound business judgment and have a reasonable basis for any decisions involving purchases.
- **\$3,000 or less.** Competition is not required for purchases of \$3,000 or less.
- **Between \$3,000 and \$10,000.** Competition is encouraged, but not mandatory for purchases between \$3,000 and \$10,000. Purchasers should consider the administrative cost of the purchase versus potential savings that could result from competition. Purchases between \$3,000 and \$10,000 on a single source basis do not require a signed justification for the single source decision. However, purchasers should use sound business judgment and must document their rationale for not seeking quotes or pricing from two or more sources.
- **\$10,000 or more.** For approved actions that value \$10,000 or more, applicable AMS requirements for competition or single source procurement apply.

Delegation of Procurement Authority (DPA) – A written delegation from the Chief of the Contracting Office (COCO) to non-warranted individuals that authorizes the use of the purchase card, and indicates a single and monthly purchase limit that is not to be exceeded.

Mandatory Sources – Each cardholder must determine if the product or service is available through a mandatory source of supply before making a purchase from the open market. FAA will satisfy requirements for products and services from or through the sources listed below in descending order of priority:

- (1) FAA inventory and excess inventory from other agencies;
- (2) Federal Prison Industries, Inc. (FPI) (also known as UNICOR);
- (3) Supply or service sources mandated by the Randolph-Sheppard Act and by the Javitts-Wagner-O'Day Act (JWOD); and
- (4) Commercial sources, Federal Supply Schedules, or other sources.

Note: Strategic sourcing initiatives or mandatory programs such as the Strategic Sourcing for the Acquisition of Various Equipment and Supplies (SAVES) program, Dell BPA, or National Wireless Program are mandatory sources when applicable.

Segregation of Duties – Key duties and responsibilities in authorizing, processing/recording, certifying availability of funds, and reviewing official agency transactions should be separated among individuals.

- Cardholder – The cardholder is responsible for the processing and recording of associated card purchases. They are to ensure all purchases on their card comply with applicable policy and procedures, all necessary approvals are received prior to purchase, and that all documentation for each purchase is complete and according to applicable policies and regulations. Only the cardholder can Approve transactions in Access Online.
- Certifier of Funds Availability – The certifier of funds availability relays in writing to the cardholder and approving official that funds are available for purchases. This is done prior to the purchases being made, and can be done per transaction or on a quarterly, semi-annual or annual basis.
- Approving Official (AO) – The AO is the individual within then program that approves purchases in advance, monitors the activity of the cardholders, and ensures purchases comply with applicable policies and procedures. Only the AO can Final Approve transactions in Access Online.

## Transaction and Approval Process

- A defined FAA requirement is identified, and it is found the purchase can be made using the purchase card.
- The listing of prohibited or restricted items is reviewed, and any exemptions are documented.
- Mandatory sources are considered and utilized as required.
- Bases on the amount of the purchase, the appropriate level of competition is obtained or rational is formed. (see page 6)
- Certification of Funds Availability received and documented
- Approval from AO received and documented.
- Order is placed by the cardholder using the purchase card, and all documentation supporting the purchase and approvals are filed.
- Receipt of items are made and documented.
- Transactions are reviewed, reallocated, and forwarded to the AO for approval in US Bank Access, and the monthly statement (hardcopy) is reviewed and signed by both the cardholder and AO (See page 12).

## **Credit Card Checks**

Credit Card Checks are authorized for use only in certain “exceptional situations” such as when electronic fund transfers and government purchase credit cards are not accepted. A credit card check register should be maintained to record each credit card check transaction, the credit card check number, date issued, the payee, a description of the purchase, the amount, and the account fee. When not in use, checks are to be kept in a secured area, i.e., locked safe/cabinet or other secured environment approved by the servicing security element to protect them from being stolen or misused.

Credit Card Checks may only be used:

- Where the political, financial, or communications infrastructure does not support payment by EFT in a foreign country;
- Where the payment is to a recipient within an area designated by the President or an authorized agency administrator as a disaster area;
- Where paying by EFT would jeopardize military or law enforcement operations or national security interests;
- Where a cost-benefit analysis shows that making nonrecurring payments by EFT are not justified;
- Where an agency’s need for goods and services is of such unusual and compelling urgency that the Government would be seriously injured unless payment is made by a method other than EFT; or
- When there is only one source for goods or services and the Government would be seriously injured unless payment is made by a method other than EFT.

**Spending Limitation:** - Approving officials will determine the appropriate dollar amount of single purchase limits to be established for each cardholder, however, **each credit card check issued cannot exceed \$2,500.**

Purchases using credit card checks must be approved in advance by the second level approving official.

## **Transaction Limits**

**Purchase Limits** – Approving officials will determine the appropriate dollar amount of single and monthly purchase limits to be established for each cardholder. Within FAA, the Chief of Contracting Office (COCO) will then approve these proposed limits and issue a Delegation of Procurement Authority (DPA) to the cardholder with all applicable limits identified. Warranted Contracting Officers may make purchases up to \$100,000 using the credit card (if within their warrant limits), while the maximum single purchase limit that may be issued to an un-warranted cardholder is \$10,000. To increase your limits, have your approving official send a request to the COCO through the appropriate APC.

**Services** – The card may be used to procure services that are:

- (1) Ordered on an as needed basis and total \$2,500 or less; or
- (2) Recurring; however they must not exceed one year and total \$2,500 or less.

**Note:** Purchase cards must not be used to enter into agreements that contain terms and conditions such as termination costs or option periods.

**Construction** – The purchase card may be used to procure construction valued \$2,000 or less.

**Note:** Value applies to the entire project, and may include multiple purchases. If the total value of all purchases associated with a project is over \$2,000, the card cannot be used.

**Splitting Purchases** – Cardholders **must not** split purchases to avoid monetary limitations. A split purchase is a procurement made to avoid established purchase limits. It is not necessary for the purchase to be in the same day to qualify as a split purchase.

- **Never allow anyone else to use your purchase card or the associated account number**
- **Never use the card for personal purchases**

## **Prohibited Purchases**

The following items **cannot** be purchased using a government purchase card:

- Long-term rental or lease of land or buildings
- Cash advances, including money orders
- Telephone services controlled by the GSA or the local Office of Information Services or Regional Communications Office
- Cellular or communication devices and services covered by the National Wireless Program Office (NWPO)
- Personal purchases or services
- Travel-related expenses
- Obtain Government owned or leased vehicles

## **Restricted Purchases**

- Drinking water, except when:
  - A duly constituted health authority pronounces the drinking water to be unsafe for human consumption at the site;
  - A viable and safe water source for FAA personnel is not available on or within a reasonable distance of the worksite;
  - FAA personnel reasonably foresee a disaster or emergency, such as the imminent landfall of a hurricane (See AMS Procurement Guidance T3.2.2.5 for additional restrictions); or
  - The drinking water is provided in a controlled environment to enable collections for drug use analysis for safety sensitive positions.
- Food items for meetings and conventions, except as detailed in AMS Procurement Guidance T3.2.2.5.
- Gifts to include store gifts cards/certificates or office retirements (Note that authorized office retirement plaques are not gifts and fall under non-cash awards)
- Membership fees for individual employees (the agency may purchase membership in a society or association in its own name)

## **Restricted Purchases Continued**

- Subscriptions to publications or magazines not relating to official duties
- Clothing (or personal apparel of any description); requirements for special type clothing necessitated by agency requires written justification from the requestor's supervisor and should be coordinated with legal counsel
- Rental of aircraft by persons not in aircraft related positions
- Fans, air conditioning and cooling equipment, space heaters and heating equipment, except as properly installed for general use in connection with the maintenance and operations requirements for the site.
- Water coolers, or vacuum cleaners and other household appliances (i.e. refrigerators, microwaves, etc), except as requisitioned for general use by the authorities charged with building maintenance and equipment
- Plaques, trophies, etc. (exceeding \$75.00) given to employees for high quality work or special projects (See AMS Procurement Guidance T3.2.2.5 for additional information)
- Services over \$2,500 (See page 7)
- Construction over \$2,000 (See page 7)